GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2387
ANSWERED ON:30.08.2007
TAPA MANDI RETAIL OUTLET
Chowdhury Shri Adhir Ranjan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government is aware that HPCL is illegally pressurizing its regional office (RO) dealer of Tapa Mandi to lease out its valuable land of Ludhiana in favour of HPCL on illegal and untenable terms and conditions;

(b) whether the partial relocation of MS facility of more than 100 Kms. From its original location is permitted in the policy as is done in this case of Tapa Mandi retail outlet;

(c) whether the Government propose to pass necessary directions to cancel this illegal partial relocation; and

(d) if so, the details and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a)to(d): Hindustan Petroleum Corporation Limited (HPCL) has reported that M/s. Budh Ram Agarwal, Tapa, Sangrur, Punjab was commissioned in 1966 as a Dealer-owned Retail Outlet (RO) with Shri Vijay Kumar as the sole proprietor. The average sales at the RO was 19 KL MS and 173 KL HSD per month based on April 2002 to January, 2003 sales volume. The Motor Spirit (MS) facility of M/s. Budh Ram Agarwal, Tapa, District Sangrur, Punjab was resited at Haibowal, Ludhiana in February, 2003. The resitement proposal was approved under the condition that the original and resited site would be leased to HPCL alongwith the superstructure.The original site at Tapa, Sangrur, Punjab was taken on lease on 1.8.2003.The lease for the resited location was not registered before commissioning the MS facility at Haibowal.The dealer did not register the lease even at a later date.The dealer is trying all tactics to avoid leasing of resited land to HPCL. Therefore, MS supplies to partially resited location at Haibowal, District Ludhiana were suspended from July, 2005. The dealer had committed default in the terms of settlement between the parties, HPCL had filed specific performance suit in the Court on 16.1.2006 for signing the lese for Haibowal, Ludhiana.

Partial resitement of HSD and MS was allowed to a new locations in any class of market/trading area and in any district/state prior to the introduction of the new guidelines dated 17.11.2005 on resitement.As per the current guidelines on resitement of ROs, the partial resitement of RO is not allowed.